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IN THE

Supreme Court of the United States

October Term, 1948.

No. 309.

YORK CORPORATION,

Petitioner,

vs.

REFRIGERATION ENGINEERING, INC.,

Respondent.

BRIEF FOR RESPONDENT.

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BRIEF FOR RESPONDENT.

This is the usual patent infringement case.

There is no conflict between the decision herein and the decision of any other court respecting either the validity or the scope of the patent involved.

The opinion of the District Court upholding the validity, and holding infringement, of claim 13 of the McAdam Patent No. 2,219,393 is found at R. 12. The Findings of Fact and Conclusions of Law of the District Court are found at R. 13-23, and the Judgment of the court is found at R. 24-26.

The opinion of the Court of Appeals is found at R. 1550-1563 (168 F. 2d 896).

In this case the district judge made findings which have support in the evidence and the Court of Appeals reaffirmed the findings in light of the evidence and accepted them. It has been held that these concurrent findings of two courts will not be set aside in the absence of a strong case. *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.*, 321 U. S. 275 at 278, 88 L. Ed. 721, 724; *Williams Mfg. Co. v. United Shoe Machinery Corp.*, 116 U. S. 364, 367, 86 L. Ed. 1537, 1541, 62 S. Ct. 1179.

Certiorari Questions Presented.

Certiorari is sought to review four questions propounded in the Petition, page 13. Each of these questions was decided in the District Court and was determined in the Findings of Fact and was reviewed by the Court of Appeals upon the basis of the evidence before the court.

We submit that this case presents no reason or grounds for the grant of certiorari such as is required by Rule 38 of subdivision 5 of this court. There is no conflict of decision with respect to the validity of the claims found to be valid and to have been infringed by Petitioner. The questions presented are all factual, and the evidence clearly supports these factual determinations as made by the District Court and reaffirmed by the Court of Appeals. That this may be clear, a concise statement of the facts is necessary.

Statement of the Case.

The patent 2,219,393, decreed valid and infringed by Petitioner was granted for the invention of Harry H. McAdam [R. 1428-1432]. This invention is for a "Defrosting Device" for removing the frost which accumulates upon the coils or heat transfer surfaces of a refrigerating device during use of that device at temperatures below the freezing point of water. A controversy arose with regard to the infringement of this patent by Petitioner. Petitioner's infringing structure and its method of use and installation by that corporation in the below freezing refrigerated space is established by the stipulation [R. 1527-1538, Defendant's Exhibit CC]. The device described therein as "description of units sold to private concerns" together with the drawings attached thereto define the structure determined by the District Court to have infringed claim 13 of the McAdam patent. A controversy having arisen with reference to the questions of validity and infringement of the McAdam patent, Petitioner filed in the District Court a complaint for Declaratory Judgment that the McAdam patent was invalid and that Petitioner had not infringed any of the patent's fourteen claims. Respondent answered the complaint, and filed a counterclaim charging infringement by Petitioner, to which Petitioner filed a reply denying validity and infringement.

The United States District Court for the Southern District of California, Central Division, after a complete trial of the issues and argument thereof by counsel, stated its opinion, holding claim 13 of the McAdam patent to be valid and to have been infringed by Petitioner's stipulated manufacture and use [R. 12]. The District Court entered its Findings of Fact, Conclusions of Law and Judgment

after consideration of findings and conclusions filed and briefed by both Petitioner and Respondent.

Both Petitioner and Respondent appealed to the Court of Appeals from the Judgment of the District Court. Petitioner appealed from the finding of validity and infringement of claim 13 of the McAdam patent. Respondent appealed from the holding of the District Court of invalidity of all of the claims in the McAdam patent other than claim 13. The Court of Appeals affirmed the District Court's holding of invalidity of claims 1 to 9, 12 and 14 of the McAdam patent, and of validity and infringement of claim 13. The Court of Appeals, on Respondent's appeal, modified the judgment of the District Court, holding that claims 10 and 11 of the McAdam patent were valid [R. 1562, 168 F. 2d 896].

Petitioner in its complaint alleged that the McAdam patent in suit was invalid because of anticipation, lack of invention as based upon certain prior patents and publications, and because of instances of alleged prior public knowledge, use and sale. With respect to each of these alleged defenses, the District Court made specific findings based not only upon the oral testimony before the court, but upon the depositions taken. The Court of Appeals reviewed these findings and held [R. 1556]:

> "The court, by its above mentioned findings, determined two questions—the question of novelty and the question of invention. Both were questions of fact. Ralph N. Brodie Co. v. Hydraulic Press Mfg. Co., 9 Cir., 151 F. 2d 91; Maulsby v. Conzevoy, 9 Cir., 161 F. 2d 165. The findings are supported by substantial evidence, are not clearly erroneous and should not be disturbed. Rule 52(a) of the Federal Rules of Civil Procedure, 28 U. S. C. A. following 723c."

ARGUMENT.

In view of the concurrent findings of the court below that the claims in suit are valid and have been infringed by Petitioner and in the absence of any conflict of decision, this is clearly not a proper case for the grant of a writ of certiorari. This court has announced that it will not disturb concurrent findings as to the validity of patent claims where there is evidence to support them and no conflict of decision. *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.*, 321 U. S. 275, 88 L. Ed. 721; *Williams Mfg. Co. v. United Shoe Machinery Corp.*, 316 U. S. 364, 367; *General Talking Pictures Corp. v. Western Elec. Co.*, 304 U. S. 175; *Tennessee Coal I. & R. Co. v. Muscoda Local No. 123*, 321 U. S. 590. The case does not present any issue of paramount public interest. It was decided by the courts below on unimpeached proofs.

The Patent in Suit.

The McAdam patent is for a defrosting device for use in the removal of frost which accumulates upon the heat exchange surfaces of a refrigerating device when that device is used in a refrigerated space normally maintained at a temperature below the freezing point of water. In accordance with the teaching of the McAdam patent water is utilized as the medium for removing the frost from the heat exchange surface, *i. e.*, the surface of the coils, while the refrigerated space is maintained at a temperature below the freezing point of water. The patent claims a structure wherein the means for delivery of the water to, and the means for the withdrawal of the water from, the refrigerating space are *self-draining*. The McAdam patent teaches that water may be periodically sprayed over the coils to remove the accumulated frost by utilizing the

specific heat of the water to melt the frost and that the water is to be removed from the refrigerated space through self-draining conduits, thereby avoiding freezing of the water within the refrigerated space [Finding of Fact 6, R. 14].

The patentee, McAdam, solved a problem long existent in the refrigerating art and provided a solution of that problem which was simple, inexpensive and efficient [Finding of Fact 7, R. 14-15].

It was further established in this case that prior to the invention of McAdam, that it was believed impossible by those skilled in the refrigerating art to use water for this purpose [Finding of Fact 8, R. 15].

It was further established in this case, that when the McAdam invention was introduced to the art, that the engineers in the art did not believe that the invention would function to defrost coils within a refrigerated space. It was necessary for the Respondent to give guarantees of satisfaction in order to make installations of the devices embodying the invention of the patent in suit [Findings of Fact 9, 10, R. 15].

The invention of the McAdam patent resides in the provision of a device for defrosting the coils of a refrigerating device positioned within a refrigerator or refrigerated space maintained at a temperature below the freezing point of water. The invention is predicated upon the discovery that water could be used to remove frost or ice from the coils of a refrigerating device due to the physical principle that to change water at 32°F. to ice at 32°F. it is necessary to extract 144 B.T.U.'s of heat per pound from the water. To change the temperature of water 1°F. requires the mere extraction of 1 B.T.U. per pound. The

McAdam patent, in utilizing this principle, provides that the structure be self-draining, that is, that conduits taking the water to the spray header positioned over the coils as well as the spray header itself, be self-draining, and also that the conduit provided for leading the water away from the coils after the water has passed over the coils be self-draining. The teachings are that as long as the water is maintained moving that it will give up heat sufficient to melt the ice from the coils but will not freeze as it moves into and out of the refrigerated space. Should the water stop at any time during this movement, it has been established that it will freeze and render the entire system inoperative.

In the specific illustration of the McAdam patent [R. 1428] tap water at ordinary temperature existing in the supply line is conducted through a pipe 17a through a valve 18 and an inclined (self draining) pipe 17 into the freezing chamber or space 10. The water from the pipe 17 is sprayed through the spray header 15 over the frost and ice collected upon the refrigerating coils 5 and fins thereof. The water passing over the coils and fins gives up heat, melting the frost and ice from the coils and fins. Dropping through the coils the water and melted frost and ice are caught in a pan 8 and passed through an inclined (self draining) pipe 11-12 and are discharged outside the refrigerated space. The water and melted ice are at no time allowed to stop within the refrigerated space 10 as the entire system is self-draining.

To provide constant and efficient draining, supply pipe 17 to the spray head 15 is inclined and is provided with an ordinary three-way valve 18, one port of which leads to the water main and the other to the drain. This valve is normally open so that the instant the supply water is shut

off, the inclined supply line drains outside of the refrigerated space. The drain line 11-12 from the pan 8 will continuously drain from the refrigerated space. It is thus assured that both the supply to, and the drain from, the refrigerated unit are "self-draining."

The claims held to be valid by the Court of Appeals and to have been infringed by Petitioner define this invention and combination. The same structure as shown in the McAdam patent was used by Petitioner, including each and every element thereof, and this fact was established by the stipulation [R. 1527-1538, Defendant's Exhibit CC].

Questions Presented.

The petition in this cause is based upon four alleged questions. Question 1 presents an assertion of alleged misuse of the McAdam patent by Respondent. The evidence relied upon to establish misuse is from the testimony of H. T. Jarvis, Respondent's Vice President and General Manager. At the conclusion of the evidence, Petitioner made a motion to amend its pleadings based upon the evidence so adduced. The District Court held the evidence insufficient to establish misuse. The Court of Appeals affirmed this finding. There is nothing in the evidence to establish the manner in which Respondent conducts its business. There is nothing in this evidence to establish that Respondent at any time endeavors to control the sale of any unpatented article through the use of the patent. The structure which Respondent sells is in evidence as a physical exhibit GG. A photograph of this exhibit is in evidence as Defendant's Exhibit EE. This structure includes every element of the patent in suit including the conduit connecting the spray header or spray device and to which conduit the city water supply line is connected,

the spray header, the fin and coil assembly, the drain pan and a section of conduit leading from the drain pan.

Respondent also sells the three-way valve, motor and fan assembly, although it does not manufacture these elements. Respondent does not predicate its business upon seeking to control the resale price of the unpatented elements of the combination such as the conduit, the three-way valve, the motor, or the fan, and there is no evidence in the record to show any such attempt at control. How these structures are installed in a refrigerated space and by whom, other than by the agents of Respondent, is not established by the record. Respondent sells its structure to other manufacturers and contractors only [R. 81]. The manner of such sale or installation is not established.

The motion to amend the pleadings was not based upon any offer of evidence but solely upon the basis that the Respondent is not selling the conduit and the refrigerated space. There is no evidence that Respondent seeks to control the sale of, or to exact a royalty from, the sale of any such unpatented elements.

Respondent had heretofore filed suit against other infringers of its patent [R. 89]. What these suits were and for what infringement is not established. Suits were filed against users of the equipment including Arden Farms and the user, Peerless Scale & Fixture Company, including the entire combination, and the installations were made completely, together with the sale of the refrigerating boxes by those defendants. There was no offer of proof with respect to these infringements by Petitioner which was denied by the court.

The entire motion to amend the pleadings was based upon the evidence as adduced from Respondent's Vice President and General Manager. Such evidence is clearly

insufficient to establish misuse of the patent in suit within the doctrine of the cases relied upon by Petitioner. Respondent does not seek to control the sale of any unpatented material such as solid carbon dioxide or any unpatented container. *Mercoid Corp. v. Mid-Continent Co.*, 320 U. S. 661; *Mercoid Corp. v. Honeywell Co.*, 320 U. S. 680; *Galion Metallic Vault Co. v. Edward G. Budd Mfg. Co.*, 78 U. S. P. Q. 135; *Master Metal Strip Service, Inc., v. Protex Weatherstrip Mfg. Co.*, 78 U. S. P. Q. 119, 120. Nor was the District Court's action predicated upon an offer and refusal of proof. *Frank Adam Electric Co. v. Westinghouse Elec. Mfg. Co.*, 146 F. 2d 165. Nor is this case predicated upon an attempt to control the sale of an unpatented but critical element of a patented combination as was true in *Landis Machinery Co. v. Chaso Tool Co.*, 141 F. 2d 800, 803.

Suit against Petitioner was based upon the stipulated installation [R. 1527-1538], and this stipulation established the fact that the Petitioner sold each and every element of the combination. This suit was not instituted by Respondent, but by Petitioner. Respondent replied to Petitioner's suit for declaratory judgment by counterclaim. There is clearly no question of misuse of the patent and the court, in denying Petitioner's motion to amend its pleadings based its denial of the motion to amend upon the insufficiency of the proof.

The second question presented is with reference to a misconstruction of the opinion of the Court of Appeals. The Court of Appeals in this action did not find or did not support the Findings of Fact merely because such Findings of Fact were supported by substantial evidence "even though they be against the weight of evidence" (Respondent's Brief, p. 13). The Court of Appeals in

its opinion stated with reference to the questions of fact involved:

> "* * * The findings are supported by substantial evidence, are not clearly erroneous and should not be disturbed." [R. 1556.]

and based its opinion upon its holding in *Maulsby v. Consevoy*, 161 F. 2d 165. Certiorari denied, 332 U. S. 791, 92 L. Ed. 35.

Thirdly the question presented with reference to interpretation of the patent is erroneously applied in this case because the claims held valid and to be infringed (claim 13) each call for the combination which is operative in such a manner that the temperature within the space "does not rise above the freezing point of water during the defrosting period." There is no question here of broadening the claims beyond their definite limitations. Claim 13, and claims 10 and 11, all contain the same limitation. During the solicitation of the patent before the Patent Office, the examiner rejected the claims such as claims 10, 11 and 13, upon the basis that "such limitation is immaterial insofar as patentability is concerned since practically all refrigeration systems continuously maintain a predetermined temperature which may be above 32° or below 32°, depending upon the particular requirements placed upon the system." [R. 1368.] Applicant, McAdam, then submitted proof to the Patent Office showing the materiality of this limitation of the claims, including a series of affidavits [R. 1378-1402] and proof to show that in the reference relied upon it was necessary to operate the structure at temperatures maintained above the freezing point of water or the system would freeze and become inoperative [R. 1408]. Upon this showing the examiner reversed his holding of immateriality and granted the claims.

The specification of the McAdam patent as it was originally presented defines the problem sought to be overcome in disclosing that the invention relates to the problem of defrosting where the structure is in a space required to be constantly maintained at temperatures below the freezing point of water [McAdam patent, p. 1, col. 1, first par., R. 1429]. It is this problem which faced the art and remained unsolved before the McAdam invention. This fact was admitted by Petitioner's witness, Mr. Postlewaite, who testified:

> "I knew that defrosting was a problem, a very serious problem." [R. 898.]

There is no limitation of the claims of the McAdam patent by interpretation. The claims definitely define the operation of the invention where the space is maintained constantly below the freezing point of water. That Petitioner so operated its structure is evident from the stipulation [Defendant's Exhibit CC, R. 1527-1538].

Fourth, the petition is based upon an erroneous consideration of the record before this court in posing a question with reference to a combination of old elements and the infringement of such a patent by a mechanism which does not include all of the elements or the equivalents thereof. This question is clearly answered by the stipulation, Defendant's Exhibit CC [R. 1528] which states with reference to the structure:

> "Plaintiff has supplied water defrosting connections with its standard sectional coil unit, where the unit was installed to maintain a temperature well below freezing in the refrigerated space."

There can be no question from the language of this stipulation that the infringing structure was operated within the limits of the claim. The stipulation provides that the unit was operated *"to maintain* a temperature well below freezing * * *."

Conclusion.

It is submitted that this case does not present any sufficient reason for the grant of writ of certiorari within the rulings and practice of this court. This case involves merely concurrent findings of fact of the District Court and Court of Appeals.

This case presents no disputed position of patent law and the decisions below do not conflict with any applicable decision of this court.

Respectfully submitted,

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